



DEPARTMENT OF
HIGHER EDUCATION &
WORKFORCE DEVELOPMENT



2021-2022

EQUITY

IN MISSOURI HIGHER EDUCATION REPORT



Introduction & Our Vision

The Missouri Department of Higher Education & Workforce Development is committed to our vision of empowering every Missourian with the skills and education needed for success. We acknowledge that there is still racial, social, and economic inequity throughout the state and higher education that keeps this vision from becoming a reality. Since 2019, the department has released an annual Equity in Missouri Higher Education Report, identifying these equity gaps and disparities across postsecondary education.

The 2021-22 edition of the Equity Report is being released as a series of smaller reports highlighting student voices and experiences, focusing on cost and affordability – an element of the postsecondary experience that affects every stage of the journey. This is the second installment, focusing on student issues in accessing higher education and progressing through their college career.

Access

The quote to the right is just one of thousands the Department of Higher Education & Workforce Development (MDHEWD) received last year in its first ever Affordability Survey. Since 1980, college tuition and fees in the United States have increased by over 900 percent, far higher than any other service or product.¹

Missouri is no exception. For individuals earning \$30,000, the state median income, 92 percent of their income would be required to attend the state's four-year institutions full-time. As a result, students and families with low to modest incomes face an incredible financial barrier in accessing higher education. Many are basing their academic careers around cost, choosing schools that have a lower price tag or attending part-time to spread out college expenses.

A greater consequence may be that more students simply will not enroll in school at a time when 66 percent of Missouri jobs require a certificate, associate degree, or higher. This report outlines the impact affordability has on access and progress through college: Which students are having the most trouble paying for school and what are their greatest financial burdens?

In responses to the department's Affordability Survey, more than 9,000 Missouri students, almost universally, said that the cost of college was a major obstacle; one that affected everybody but was especially detrimental for Black, Indigenous and People of Color (BIPOC) and students with disabilities.

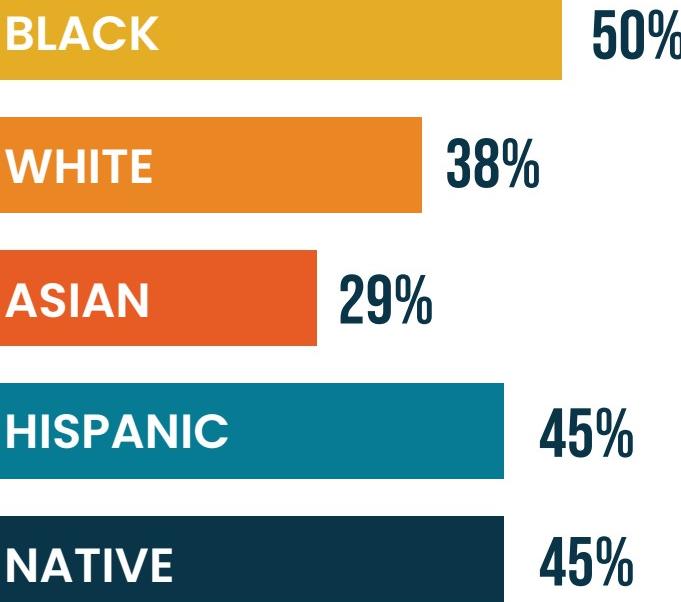
¹ Bureau of Labor Statistics, CPI for college tuition and fees

I FEEL GUTTED WITH HOW MUCH WE ARE EXPECTED TO PAY. I PAY SO MUCH MONEY TO TAKE A CLASS, THEN I HAVE TO BUY HUNDREDS OF DOLLARS' WORTH OF MATERIALS FOR THAT CLASS. I'M ONLY 20 AND IN DEBT. I GET ANXIETY THINKING ABOUT STUDENT LOANS. WHY ARE COLLEGE STUDENTS EXPECTED TO PAY THOUSANDS AND THOUSANDS FOR [HIGHER] EDUCATION? OUR COUNTRY'S FUTURE IS DROWNING IN DEBT AT SUCH A YOUNG AGE. COLLEGE IS TOO EXPENSIVE. //

"College is so expensive in the U.S. compared to other countries. That is something that I do not understand. I never once thought about continuing my education to go into health care or get a master's because it is too expensive even to apply."

“ IN 2018, I WORKED FULL TIME, MAKING \$24,000 AFTER TAXES, (IN) POVERTY. I GET ZERO PELL GRANTS BECAUSE I MADE TOO MUCH IN 2018 WHEN I DID NOT EVEN KNOW I WAS GOING BACK TO SCHOOL. ”

Who Receives Pell Grants? Breakdown by Race



Source: 2021 Affordability Report

Applying for Aid

The Free Application for Federal Student Aid (FAFSA) has been the primary way lower- and middle-income families have been able to obtain financial aid in order to pay for the costs associated with a college education. For undergraduate students demonstrating the greatest financial need, Pell Grants up to \$6,345 can be awarded to help pay for their education. However, actual award amounts typically change each academic year and range depending upon a variety of factors. Students can also receive federal loans and, often as a last resort, families take out a Parent Plus loan where the student's guardian takes financial responsibility.

Unfortunately, many students do not fill out a FAFSA. According to the U.S. Department of Education, about 32 percent of all students who did not file believed that they were ineligible for financial aid. When looking at these students' incomes, however, almost a third of those who thought they were ineligible would have qualified for a Pell Grant and 14 percent would have received the maximum amount.²³ Altogether, 1-2 million students forgo approximately \$3 billion in unclaimed federal grant money annually.⁴

On the other end of the spectrum, Federal data shows that a significant portion of non-filers, 28 percent, simply did not want to take on the debt burden of a college education. Nationwide in 2021, students borrowed an average of \$36,510 to finance their education, more than double the amount one would have paid in 2000.⁵ With the ever-increasing price of college, both students and parents are becoming more wary of taking out large loans to cover educational expenses.

²In the United States stats in brief - national center for education ... (n.d.). Retrieved May 11, 2022, from <https://nces.ed.gov/pubs2018/2018161.pdf>

³Student Aid Policy Analysis, Reasons Why Students Do Not File the FAFSA, <http://www.studentaidpolicy.com/fa/20110118nofafsareasons.pdf>

⁴National College Attainment Network, <https://www.ncan.org/news/592984-NCAN-Report-3.75-Billion-in-Pell-Grants-Goes-Unclaimed-for-High-School-Class-of-2021.htm> ⁵Education Data Initiative, Student Loan Debt Statistics, <https://educationdata.org/student-loan-debt-statistics>

“ I HAVE RECEIVED NO FEDERAL AID DESPITE MY MOTHER LOSING HER JOB THIS YEAR BECAUSE OF THE PANDEMIC. I CAN PAY FOR COLLEGE FOR THE REST OF THIS YEAR, BUT I AM NOT SURE AFTER THAT. ”

Higher-Ed Enrollment

In turn, enrollment rates in Missouri Higher Education continue to fall, down 20 percent over the past 10 years and almost 5 percent from 2021-2022. Black student enrollment in Missouri has been the most affected, down 48 percent over the last decade.⁶ Results from the MDHEWD survey closely mirror these state and national trends. Twenty-five percent of students surveyed did not file a FAFSA. Some noted they were above the income limits; others received financial aid from their employer or used their veterans or military benefits like the GI Bill. Roughly a third of White respondents reported that they received either Pell or Access Missouri grants, while for BIPOC students it was closer to 50 percent.

⁶DHEWD High School Graduate Report 2022
<https://dhewd.mo.gov/data/hsgradreport.php>

Higher Ed Enrollment Percentage Change, 2011-2021

+72%

+31%

-20%

-48%

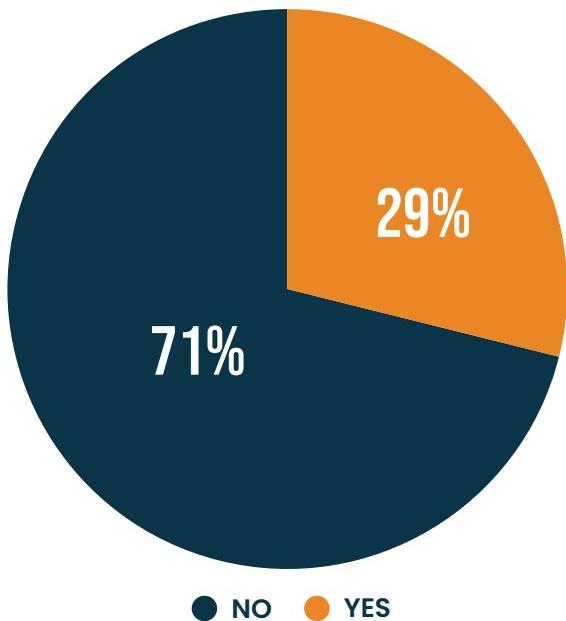
-22%

● BLACK ● WHITE ● ASIAN/PACIFIC ISLANDER ● HISPANIC/LATINO ● TOTAL

Source: Enhanced Missouri Student Achievement Study (EMSAS)

I WAS \$143 FROM HAVING TO DROP OUT THIS FALL. I BEGGED FOR THE MONEY FROM MY FATHER, A DISABLED MAN ON A FIXED INCOME. I KNOW HE NEEDED THAT MONEY. I KNOW MY SCHOOLING IS IMPORTANT. BUT THE CLOSER I GET TO GRADUATING, THE MORE CASH THEY WANT. HIGH SCHOOL NEVER PREPARED ME FOR THIS.

Percent of Respondents who Received Assistance from Family



Source: Affordability Survey

Financial Aid Gaps & FAFSA Frustration

For survey respondents that did complete the FAFSA, the experience was overwhelmingly negative. For many, the FAFSA is the sorting hat of financial aid: arbitrary and final decisions that have a massive impact on one's academic career. Eligibility for federal aid is based on the expected family contribution (EFC), a number derived by answering the FAFSA's 100+ questions, 3x more than a standard tax return. Questions include detailed financial information for parent(s), household size, dependency status, and citizen/immigration status.

Even a slight change in these answers could dramatically alter one's financial aid eligibility. Students routinely complained that they tried to work during the semester, only to find that they had made too much money to be Pell eligible the next year, punishing their hard work. Others said that their families made just a few thousand, or even hundreds, above the eligibility for need-based awards and were forced to pay through loans or out of pocket.

In addition, students are only considered independent via FAFSA standards if they are over 24, married, in the military, or have children of their own, even if parents refuse to contribute. Only 29 percent of survey respondents reported that they received any family assistance, meaning the vast majority are financially independent adults who only have the funds they earn themselves. Over and over, students said the FAFSA did not accurately capture how well their families were willing or able to support them.

All of these problems have been exacerbated by the COVID-19 pandemic, where many students and their families had significant changes to their income and ability to afford college. Many mentioned job losses for either them or their parents, which forced a reduction in credits or stopping out altogether. Other students recalled their experiences of getting sick and losing their aid because they could not attend class or had to quarantine.

Because the FAFSA uses tax information that is effectively two years old by the time classes begin, student awards did not reflect these sudden changes. While federal regulations give financial aid administrators professional judgment to update a FAFSA due to unusual situations or circumstances, many students are unaware of this option or lack the time and/or paperwork to change their EFC.

“ A+ HELPS ME OUT SO MUCH AND SADLY IT IS GONE AFTER THIS UPCOMING SEMESTER. WITHOUT MY A+ I MIGHT HAVE TO DROP OUT TO MAKE ENOUGH MONEY TO PAY FOR JUST ONE MORE SEMESTER. THEN DO THE EXACT SAME THING. ”

State Aid & Scholarships

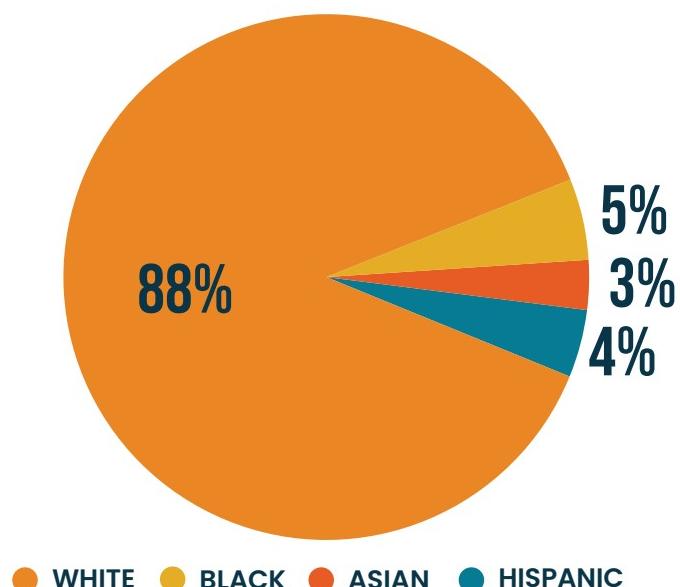
In Missouri, almost all state financial aid awards are processed using FAFSA data, including the A+ Scholarship, Access Missouri, and the Fast Track Workforce Incentive Grant. This means that by failing to complete the FAFSA, Missouri students disqualify themselves from state grants and loans as well. State Financial Aid also has additional requirements that not all students meet.

Access Missouri, one of the state's need-based grants, requires an EFC of \$12,000 or less and full-time status. The Fast Track Workforce Incentive Grant, a need-based program designed for adults, does not have the same full-time attendance requirement, but the grant's original version required an employment and residency status in order to keep the grant from becoming a loan. A 2022 bill passed by the Missouri General Assembly removed that requirement.

Scholarship awards such as Bright Flight and A+ have their own set of requirements outside of financial need. For example, Bright Flight is a merit-based grant requiring recipients to be in the top 5 percent of ACT or SAT test takers, and A+ eligibility is dependent upon unpaid tutoring or mentoring, attendance, good behavior, as well as GPA and testing requirements while still in high school. For those that did qualify for state grants or scholarships, many were appreciative of the additional funds. Responses such as, "I am very thankful to have this program [A+]. Without it, I doubt that I would have gone to college," were common. Other students, however, were fearful of losing their scholarships due to the many requirements and events outside their control.

It should be noted that many of the Missouri State Financial Aid programs are last dollar awards, meaning someone can be eligible and still not receive an award if they receive financial aid elsewhere that exceeds the cost of attendance. "Find a way to get A+ to work BEFORE Pell Grant!" was a sentiment shared by several students. This can also impact data reporting as the state often did not receive information from the institutions about students receiving "zero-awards." The Affordability Survey asked specifically if a student received an award, not if they were eligible. Despite this, the demographic breakdown of state aid in the Affordability Survey closely matched that of the state.

Racial Breakdown of Respondents Who Received A+ or Bright Flight



Source: Affordability Survey

Progress

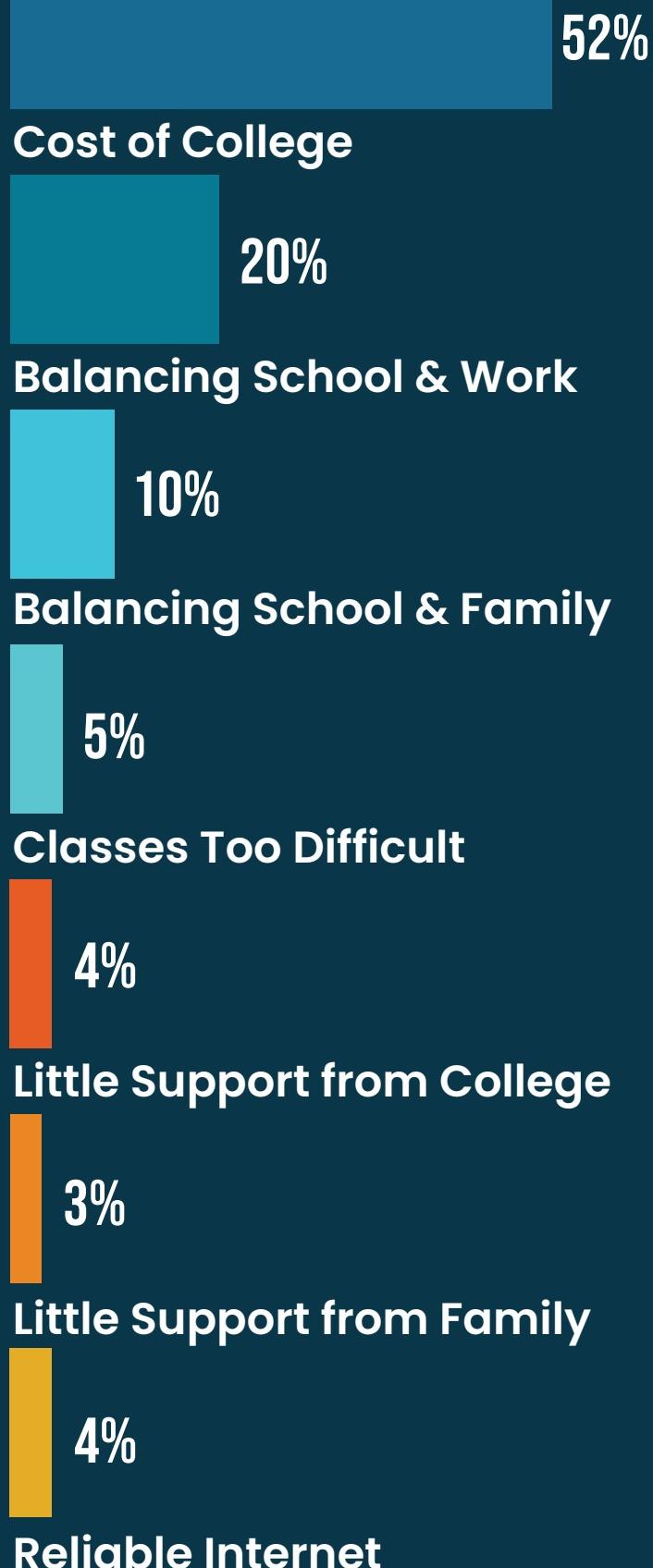
With all these factors in mind, students were asked to share what obstacles were most detrimental to their college success. Overwhelmingly, the cost of college and school/work balance were their main roadblocks to doing well in their academic careers. Other factors, such as family/work-life balance and difficulty of classes, were not commonly reported as a struggle – regardless of student demographics.

Top Obstacles to Success in College

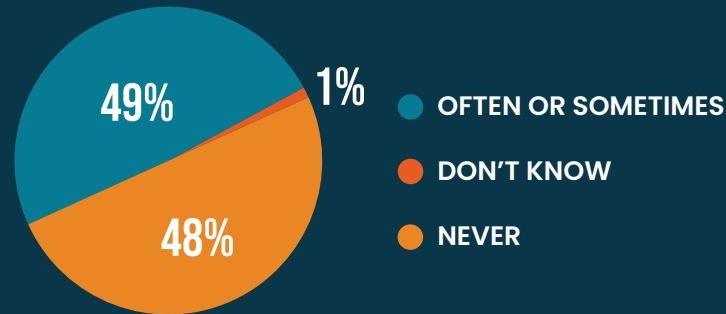
Results from the Affordability Survey align with nationwide data. Across the United States, 66 percent of students will forego buying course materials due to how expensive they are, while 19 percent of students determine which classes they choose to take based on the cost of the textbook.⁷ Students completing the Affordability Survey had a similar predicament, with 35 percent saying they did not have enough resources for their required class materials.

⁷US Public Interest Fund, Fixing the Broken Textbook Market,
<https://uspirgefund.org/reports/usp/fixing-broken-textbook-market-third-edition>

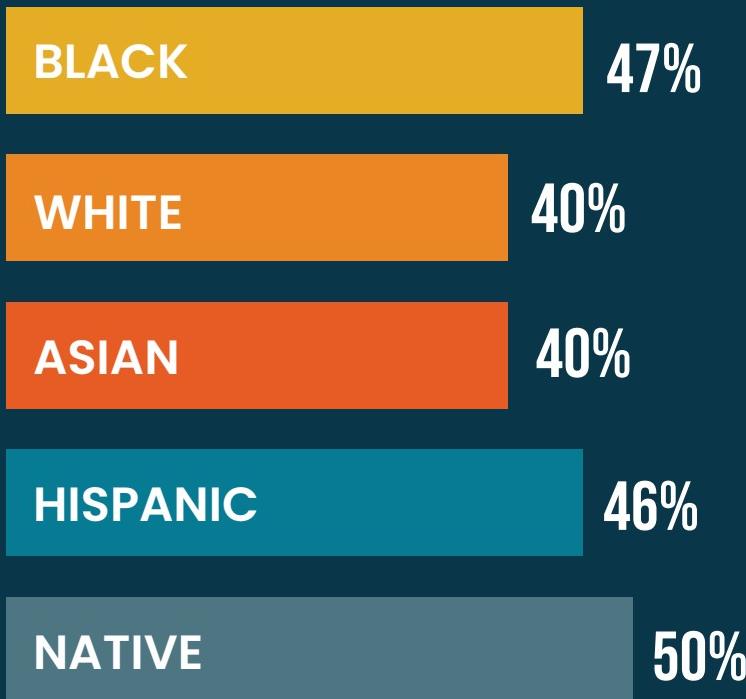
Top Obstacles to Success in College



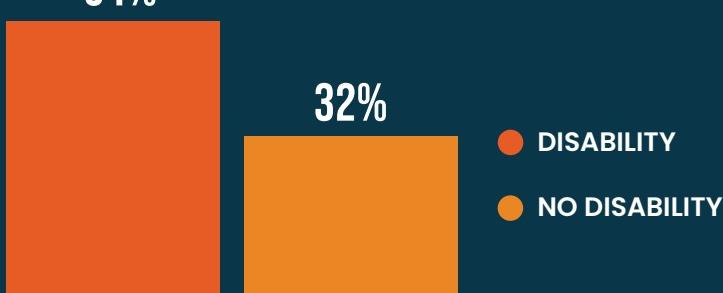
"I worried whether my food would run out before I got more."



"I Don't Have Enough Resources for Food & Groceries" (Race)



"I Don't Have Enough Resources for Food & Groceries" (Disability)



Food Insecurity

Food insecurity was also one of the biggest priorities for Missouri students, with 48 percent unsure if they would have money for food one week to the next. This was higher than previous nationwide surveys which found about 30 percent of all college students at risk of going hungry. Food insecurity can have many negative side effects including stress and depression, obesity due to choosing processed foods, and lower retention and completion rates.

One student mentioned how school affected their ability to feed themselves and their family: "As married adults, [we] succumb to eating smaller portions or skipping meals due to (lack) of funds." Other students casually mentioned, "I don't usually have enough for food," or that they had to take out larger loans to feed themselves. Despite expanded eligibility for SNAP benefits due to the pandemic, less than 4 percent of surveyed students were actively receiving food benefits.

While all students had the same concerns when it came to food, housing, and tuition, some groups were hit harder than others. Respondents who self-reported as having a disability were more likely to be food insecure (54%), housing insecure (28%), and have issues paying tuition (42%). BIPOC students reported struggling with tuition at the same rates as their White peers, but when it came to food and housing, they were significantly worse off.

⁸ US Department of Agriculture, U.S. ADULT FOOD SECURITY SURVEY MODULE

⁹ Silva et. al., (2017). The relationship between food security, housing stability, and school performance among college students in an urban university. *Journal of College Student Retention: Research, Theory & Practice*, 19(3), 284-299.

¹⁰Martinez et. Al.,(2020). No food for thought: Food insecurity is related to poor mental health and lower academic performance among students in California's public university system. *Journal of health psychology*, 25(12), 1930-1939.

Housing Insecurity

"I Don't Have Enough Resources for Housing & Utilities" (Race)

BLACK 36%

WHITE 25%

ASIAN 18%

HISPANIC 27%

NATIVE 30%

"I Don't Have Enough Resources for Housing & Utilities" (Disability)

54%

32%

- DISABILITY
- NO DISABILITY

Black students seemed to be especially disadvantaged when it came to housing, with 36 percent saying they might not have the resources for shelter expenses. Indigenous students had the highest rates of food insecurity, with at least half unsure if they had the funds for meals. All said, Black, Indigenous, and students with disabilities were the most likely to have some sort of unmet need.

"I'm in a better place financially now, but that's also due to living on credit cards and I'm in massive debt. I also work 60 hours a week. When I first started college 8 years ago, I wasn't able to eat sometimes and I was on food stamps for a semester. I had to rely on family a lot more to help me pay for expenses like rent."

Conclusion

This data, coupled with the stories and testimonies of the students who were willing to share, paint a real picture of the day-to-day struggles for many of Missouri's students seeking a postsecondary education. When the price of pursuing a degree, a virtual necessity for jobs that pay a living wage, requires students to either go hungry or to forego taking classes that would adequately prepare them for their careers, something must change. However, it is worth stressing that for the majority of the students who either responded to the department's survey or participated in the focus group

sessions in the spring of 2021, the prevailing sentiment was that all the struggles and frustrations would be worth it in the end. Even facing the hardship of food insecurity, rising tuition costs, and frustrations with fees, these students see postsecondary education as a worthwhile endeavor.

The final issue of this report will focus on student completion outcomes, and the student experience dealing with financial aid after they have reached the stage of their postsecondary journey where they try to leverage their college experience into a meaningful working career.

